

W.R. GRACE & CO., INC. and DIVISIONS
U.S. Corporation Income Tax Return
For Year Ended 12/31/2001

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Form 1120 US Corporation Income Tax Return
Consolidated Income, Deductions, and Taxes

Statement 0

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Tax and Payments						
31 Total tax (Sch. J, line 12)	0					
Backup Withholding	0					
32a Overpayment allowed as a credit	0					
b Estimated tax payments	0					
c Less refund applied for on Form 4466	0					
d Balance. Add lines 32a through 32c	0					
e Tax deposited with Form 7004	0					
f CR-Undistributed capital gains (Form 2439)	0					
g CR for Federal tax on fuels (Form 4136)	17,643					
h Payments - Add lines 32d through 32g	17,643					
Section 1291 Interest	0					
Section 1294 Interest	0					
33 Penalty for underpayment of estimated tax	0					
34 Tax due	0					
35 Overpayment	17,643					
36 Amt. of line 35 to credit to estimated tax	0					
Amount of line 35 to be refunded	17,643					

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Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey/Almy
Income						
1a Gross receipts or sales	3,903,455	0	0	0	0	0
b Less returns and allowances	0	0	22	0	0	0
c Net receipts or sales	3,903,455	0	-22	0	0	0
2 Less cost of goods sold (Sch. A, line 8)	2,532,101	0	-2,254,811	0	0	0
3 Gross profit	1,371,354	0	2,254,789	0	0	0
4 Dividends (Sch. C, line 19)	0	0	653,948	0	0	0
5 Interest	0	0	1,925,285	0	0	0
6 Gross rents	0	0	2,242	0	0	0
7 Gross royalties	0	0	9,235,991	0	0	0
8 Capital gain net income (Schedule D)	0	0	0	0	0	0
9 Net gain or (loss) from Form 4797, line 18	0	0	14,920	0	0	0
10 Other income	-34,951	0	-3,929,551	0	0	0
11 Total income. Lines 3 through 10	1,336,403	0	10,157,624	0	0	0
Deductions						
12 Compensation of officers (Sch. E, line 4)	0	0	5,847,889	0	0	0
13 Salaries and wages	0	0	35,583,544	0	0	0
14 Repairs and maintenance	0	0	565,255	0	0	0
15 Bad Debts	182,252	0	-1,416,051	0	0	0
16 Rents	0	0	-291,349	0	0	0
17 Taxes and licenses	0	0	1,650,924	0	0	0
18 Interest	100,355	0	94,693,705	0	0	0
19 Charitable contributions	0	0	250,250	0	0	0
20 Depreciation (Form 4562)	20,672	0	3,253,136	0	0	0
21a Less depreciation claimed elsewhere	0	0	0	0	0	0
b Net depreciation	20,672	0	3,253,136	0	0	0
22 Depletion	0	0	0	0	0	0
23 Advertising	0	0	50,463	0	0	0
24 Pension, profit-sharing, etc., plans	0	0	28,543,891	0	0	0
25 Employee benefit programs	0	0	2,951,669	0	0	0
26 Other deductions	551,436	0	112,208,424	23,264	0	0
27 Total deductions. Lines 12 through 26	854,715	0	282,891,750	23,264	0	0
28 Tax. inc. before NOL & special deductions	481,688	0	-273,734,126	-23,264	0	0
29a Less NOL deduction	0	0	0	0	0	0
b Less special deductions (Sch. C, line 20)	0	0	452	0	0	0
c Balance	0	0	452	0	0	0
30 Taxable income. Line 28 less line 29c	481,688	0	-273,734,578	-23,264	0	0

W.R. GRACE & CO. - CAN. and DIVISIONS
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Consolidated Income, Deductions, and Taxes

Statement 0

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Income						
1a Gross receipts or sales	492,460,692	0	0	0	0	97,143,184
b Less returns and allowances	9,848,473	0	0	0	0	3,436,164
c Net receipts or sales	482,612,219	0	0	0	0	93,707,020
2 Less cost of goods sold (Sch. A, line 8)	331,541,420	0	0	0	0	54,644,191
3 Gross profit	151,070,799	0	0	0	0	39,062,829
4 Dividends (Sch. C, line 19)	0	0	0	0	0	0
5 Interest	159,951	0	0	0	0	0
6 Gross rents	0	0	0	0	0	0
7 Gross royalties	0	0	0	0	0	112,482
8 Capital gain net income (Schedule D)	0	0	0	0	0	1,144,979
9 Net gain or (loss) from Form 4797, line 18	-240,651	0	0	0	0	1,807,901
10 Other income	8,407,585	0	0	0	0	52,404
11 Total income. Lines 3 through 10	159,397,684	0	0	0	0	42,180,595
Deductions						
12 Compensation of officers (Sch. E, line 4)	0	0	0	0	0	0
13 Salaries and wages	73,617,089	0	-350,560	0	0	10,381,774
14 Repairs and maintenance	30,532,255	0	0	0	0	416,663
15 Bad Debts	192,568	0	0	0	0	-15,151
16 Rents	2,344,363	0	0	0	0	63,865
17 Taxes and licenses	11,368,730	0	0	0	0	1,213,497
18 Interest	-2,003,884	0	0	0	0	0
19 Charitable contributions	101,057	0	0	0	0	436
20 Depreciation (Form 4562)	41,517,797	0	0	0	0	2,605,618
21a Less depreciation claimed elsewhere	0	0	0	0	0	0
b Net depreciation	41,517,797	0	0	0	0	2,605,618
22 Depletion	32,081	0	0	0	0	0
23 Advertising	1,029,819	0	0	0	0	113,350
24 Pension, profit-sharing, etc., plans	5,155,005	0	0	0	0	374,829
25 Employee benefit programs	15,791,957	0	0	0	0	358,477
26 Other deductions	-64,445,109	0	350,560	0	0	12,716,023
27 Total deductions. Lines 12 through 26	115,233,728	0	0	0	0	28,229,381
28 Tax. inc. before NOL & special deductions	44,163,956	0	0	0	0	13,951,214
29a Less NOL deduction	0	0	0	0	0	0
b Less special deductions (Sch. C, line 20)	0	0	0	0	0	0
c Balance	0	0	0	0	0	0
30 Taxable income. Line 28 less line 29c	44,163,956	0	0	0	0	13,951,214

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Consolidated Income, Deductions, and Taxes

Line Description	Construction
Income	
1a Gross receipts or sales	427,688,746
b Less returns and allowances	21,542,092
c Net receipts or sales	406,146,654
2 Less cost of goods sold (Sch. A, line 8)	206,124,587
3 Gross profit	200,022,067
4 Dividends (Sch. C, line 19)	0
5 Interest	-6,016
6 Gross rents	0
7 Gross royalties	0
8 Capital gain net income (Schedule D)	0
9 Net gain or (loss) from Form 4797, line 18	-345,543
10 Other income	819,035
11 Total income. Lines 3 through 10	200,489,543
Deductions	
12 Compensation of officers (Sch. E, line 4)	0
13 Salaries and wages	64,684,766
14 Repairs and maintenance	1,569,479
15 Bad Debts	358,507
16 Rents	6,958,146
17 Taxes and licenses	6,205,308
18 Interest	0
19 Charitable contributions	53,152
20 Depreciation (Form 4562)	17,190,903
21a Less depreciation claimed elsewhere	0
b Net depreciation	17,190,903
22 Depletion	468,325
23 Advertising	4,426,803
24 Pension, profit-sharing, etc., plans	2,554,469
25 Employee benefit programs	5,123,838
26 Other deductions	31,339,158
27 Total deductions. Lines 12 through 26	140,932,854
28 Tax. inc. before NOL & special deductions	59,556,689
29a Less NOL deduction	0
b Less special deductions (Sch. C, line 20)	0
c Balance	0
30 Taxable income. Line 28 less line 29c	59,556,689

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Form 1120 US Corporation Income Tax Return
Consolidated Cost of Goods Sold

Statement 1

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Schedule A - Cost of Goods Sold						
1 Inventory at beginning of year	75,136,954	0	0	75,136,954	0	0
2 Purchases	500,463,573	0	0	500,463,573	0	0
3 Cost of labor	61,260,010	0	0	61,260,010	0	0
4 Additional section 263A costs	-1,232,000	0	0	-1,232,000	0	0
5 Other costs	46,273,348	0	0	46,273,348	0	0
6 Total. Add lines 1 through 5	681,901,885	0	0	681,901,885	0	0
7 Inventory at end of year	89,314,397	0	0	89,314,397	0	0
8 Cost of goods sold. Line 6 less line 7	592,587,488	0	0	592,587,488	0	0

9a Enter all methods used for valuing closing inventory:

i Cost	N	N	N	N	N	N
ii Lower of cost or market	N	N	N	N	N	N
iii Other methods	N	N	N	N	N	N
b Writedown of 'subnormal' goods	N	N	N	N	N	N
c Was LIFO method adopted for this tax year?	N	N	N	N	N	N
d Percentage or amounts of closing LIFO inventory	N	N	N	N	N	N
e Do the rules of section 263A apply to the corporation?	N	N	N	N	N	N
f Changes in determining value of inventory	N	N	N	N	N	N

W.R. GRACE & CO.-CONN. and DIVISIONS
 U.S. Corporation Income Tax Return
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Form 1120 US Corporation Income Tax Return
 Consolidated Cost of Goods Sold

Statement 1

Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	DeweyAlmy
Schedule A - Cost of Goods Sold						
1 Inventory at beginning of year	846,110	0	55,764	0	0	0
2 Purchases	2,232,508	0	-42,991	0	0	0
3 Cost of labor	0	0	780	0	0	0
4 Additional section 263A costs	0	0	0	0	0	0
5 Other costs	14,211	0	-2,266,616	0	0	0
6 Total. Add lines 1 through 5	3,092,829	0	-2,253,063	0	0	0
7 Inventory at end of year	560,728	0	1,748	0	0	0
8 Cost of goods sold. Line 6 less line 7	2,532,101	0	-2,254,811	0	0	0

9a Enter all methods used for valuing closing inventory:

- i Cost
- ii Lower of cost or market
- iii Other methods
- b Writedown of 'subnormal' goods
- c Was LIFO method adopted for this tax year?
- d Percentage or amounts of closing LIFO inventory
- e Do the rules of section 263A apply to the corporation?
- f Changes in determining value of inventory

Y	N	N	N	N	N	N
N	N	N	N	N	N	N
N	N	N	N	N	N	N
N	N	N	N	N	N	N
Y	N	N	N	N	N	N
N	N	N	N	N	N	N
N	N	N	N	N	N	N

W.R. GRACE & CO.-LOWN. and DIVISIONS
 U.S. Corporation Income Tax Return
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 Consolidated Cost of Goods Sold

Statement 1

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Schedule A - Cost of Goods Sold						
1 Inventory at beginning of year	51,724,747	0	0	0	0	9,030,949
2 Purchases	301,272,854	0	0	0	0	39,754,293
3 Cost of labor	39,553,212	0	0	0	0	7,157,531
4 Additional section 263A costs	-1,300,000	0	0	0	0	41,000
5 Other costs	7,433,845	0	0	0	0	6,699,974
6 Total. Add lines 1 through 5	398,684,658	0	0	0	0	62,683,747
7 Inventory at end of year	67,143,238	0	0	0	0	8,039,556
8 Cost of goods sold. Line 6 less line 7	331,541,420	0	0	0	0	54,644,191

9a Enter all methods used for valuing closing inventory:

i Cost	Y	N	N	N	N	N
ii Lower of cost or market	N	N	N	N	N	N
iii Other methods	N	N	N	N	N	N
b Writedown of 'subnormal' goods	N	N	N	N	N	N
c Was LIFO method adopted for this tax year?	N	N	N	N	N	N
d Percentage or amounts of closing LIFO inventory						
e Do the rules of section 263A apply to the corporation?	Y	N	N	N	N	N
f Changes in determining value of inventory	N	N	N	N	N	N

Form 1120 US Corporation Income Tax Return
Consolidated Cost of Goods Sold

Line Description	Construction
Schedule A - Cost of Goods Sold	
1 Inventory at beginning of year	13,479,384
2 Purchases	157,246,909
3 Cost of labor	14,548,487
4 Additional section 263A costs	27,000
5 Other costs	34,391,934
6 Total. Add lines 1 through 5	219,693,714
7 Inventory at end of year	13,569,127
8 Cost of goods sold. Line 6 less line 7	206,124,587
9a Enter all methods used for valuing closing inventory:	
i Cost	N
ii Lower of cost or market	N
iii Other methods	N
b Writedown of 'subnormal' goods	N
c Was LIFO method adopted for this tax year?	N
d Percentage or amounts of closing LIFO inventory	
e Do the rules of section 263A apply to the corporation?	N
f Changes in determining value of inventory	N

W.R. GRACE & CO.-OWN. and DIVISIONS
U.S. Corporation Income Tax Return
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Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Beginning)

Statement 2

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Assets						
1 Cash	40,397,583	0	0	40,397,583	0	0
2a Trade notes and accounts receivable	115,517,463	0	0	115,517,463	0	0
b Less allowance for bad debts	197,374	0	0	197,374	0	0
Net trade notes and accounts receivable	115,320,089	0	0	115,320,089	0	0
3 Inventories	75,136,954	0	0	75,136,954	0	0
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	128,528,662	0	0	128,528,662	0	0
7 Loans to stockholders	0	0	0	0	0	0
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	1,758,305,532	0	0	1,758,305,532	0	0
10a Buildings and other depreciable assets	1,017,558,816	0	0	1,017,558,816	0	0
b Less accumulated depreciation	618,511,921	0	0	618,511,921	0	0
Net buildings and other depreciable assets	399,046,895	0	0	399,046,895	0	0
11a Depletable assets	1,109,420	0	0	1,109,420	0	0
b Less accumulated depletion	240,125	0	0	240,125	0	0
Net depletable assets	869,295	0	0	869,295	0	0
12 Land (net of any amortization)	7,114,479	0	0	7,114,479	0	0
13a Intangible assets (amortizable only)	57,069,703	0	0	57,069,703	0	0
b Less accumulated amortization	11,977,702	0	0	11,977,702	0	0
Net intangible assets	45,092,001	0	0	45,092,001	0	0
14 Other assets	1,284,879,771	0	0	1,284,879,771	0	0
15 Total assets	3,854,691,261	0	0	3,854,691,261	0	0
Liabilities & Stockholders' Equity						
16 Accounts payable	206,158,309	0	0	206,158,309	0	0
17 Mortgages, notes, bonds payable within 1 year	258,627,438	0	0	258,627,438	0	0
18 Other current liabilities	1,973,760,047	0	0	1,973,760,047	0	0
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	0	0	0	0	0	0
21 Other liabilities	1,563,405,608	0	0	1,563,405,608	0	0
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	85,018,000	0	0	85,018,000	0	0
Total capital stock	85,018,000	0	0	85,018,000	0	0
23 Paid-in or capital surplus	142,269,878	0	0	142,269,878	0	0
24 Retained earnings - appropriated	-2,000	0	0	-2,000	0	0
25 Retained earnings - unappropriated	-374,546,019	0	0	-374,546,019	0	0
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
Total liabilities & stockholders' equity	3,854,691,261	0	0	3,854,691,261	0	0

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Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Beginning)

Statement 2

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Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Assets						
1 Cash	428,773	0	49,157,193	0	0	0
2a Trade notes and accounts receivable	1,915,112	0	-8,436,231	0	0	0
b Less allowance for bad debts	279,722	0	-1,199,494	0	0	0
Net trade notes and accounts receivable	1,635,390	0	-7,236,737	0	0	0
3 Inventories	846,110	0	55,764	0	0	0
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	0	0	113,123,728	215,900	0	0
7 Loans to stockholders	0	0	0	0	0	0
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	0	467,934,495	1,258,320,789	0	0	0
10a Buildings and other depreciable assets	93,523	0	36,190,499	0	0	94,022
b Less accumulated depreciation	51,725	0	16,942,920	0	0	0
Net buildings and other depreciable assets	41,798	0	19,247,579	0	0	0
11a Depletable assets	0	0	0	0	0	0
b Less accumulated depletion	0	0	0	0	0	0
Net depletable assets	0	0	0	0	0	0
12 Land (net of any amortization)	0	0	525,048	0	0	0
13a Intangible assets (amortizable only)	0	0	8,088,400	0	0	0
b Less accumulated amortization	0	0	0	0	0	0
Net intangible assets	0	0	8,088,400	0	0	0
14 Other assets	0	0	1,229,842,653	0	0	0
15 Total assets	2,952,071	467,934,495	2,671,124,417	215,900	0	94,022
Liabilities & Stockholders' Equity						
16 Accounts payable	19,624	0	151,323,388	0	0	0
17 Mortgages, notes, bonds payable within 1 year	0	0	258,579,440	0	0	0
18 Other current liabilities	2,155,702	467,934,495	870,031,702	-1,703,074	24,597,535	102,988
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	0	0	0	0	0	0
21 Other liabilities	0	0	1,509,998,005	0	0	0
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	517,000	0	84,500,000	0	0	1,000
Total capital stock	517,000	0	84,500,000	0	0	1,000
23 Paid-in or capital surplus	0	0	142,269,878	0	0	0
24 Retained earnings - appropriated	0	0	0	0	0	0
25 Retained earnings - unappropriated	259,745	0	-345,577,996	1,918,974	-24,597,535	-9,966
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
28 Total liabilities & stockholders' equity	2,952,071	467,934,495	2,671,124,417	215,900	0	94,022

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Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Beginning)

Statement 2

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Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Assets						
1 Cash	-9,212,133	23,750	0	0	0	0
2a Trade notes and accounts receivable	60,295,598	0	0	0	0	11,307,230
b Less allowance for bad debts	310,384	0	0	0	0	69,604
Net trade notes and accounts receivable	59,985,214	0	0	0	0	11,237,626
3 Inventories	51,724,747	0	0	0	0	9,030,949
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	10,919,676	0	441,952	0	0	0
7 Loans to stockholders	0	0	0	0	0	1,214,348
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	1,500,000	0	0	0	0	0
10a Buildings and other depreciable assets	767,154,633	0	0	139,130,000	919	-20,479,996
b Less accumulated depreciation	490,779,071	0	0	0	0	39,706,119
Net buildings and other depreciable assets	276,375,562	0	0	0	0	25,500,439
11a Depletable assets	1,109,420	0	0	0	0	14,205,680
b Less accumulated depletion	240,125	0	0	0	0	0
Net depletable assets	869,295	0	0	0	0	0
12 Land (net of any amortization)	3,857,384	0	0	0	0	265,713
13a Intangible assets (amortizable only)	36,064,067	0	0	0	0	-1,535,648
b Less accumulated amortization	10,968,940	0	0	0	0	-241,496
Net intangible assets	25,095,127	0	0	0	0	-1,294,152
14 Other assets	20,203,643	0	0	5,200,000	21,224	4,267,452
15 Total assets	441,318,515	23,750	441,952	144,330,000	22,143	18,447,620
Liabilities & Stockholders' Equity						
16 Accounts payable	23,782,673	-25,045	0	0	0	8,151,327
17 Mortgages, notes, bonds payable within 1 year	0	0	0	0	0	0
18 Other current liabilities	272,942,201	-7,620,324	-408,765	296,679,975	21,824	5,396,691
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	0	0	0	0	0	0
21 Other liabilities	46,552,616	0	0	0	0	0
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	0	0	0	0	0	0
Total capital stock	0	0	0	0	0	0
23 Paid-in or capital surplus	0	0	0	0	0	0
24 Retained earnings - appropriated	0	0	0	-2,000	0	0
25 Retained earnings - unappropriated	98,041,025	7,669,119	850,717	-152,347,975	319	3,811,337
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
28 Total liabilities & stockholders' equity	441,318,515	23,750	441,952	144,330,000	22,143	18,447,620

W.R. GRACE & CO., ANN. and DIVISIONS
U.S. Corporation Income Tax Return
For Year Ended 12/31/2001

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Statement 2

Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Beginning)

Line Description	Construction
Assets	
1 Cash	0
2a Trade notes and accounts receivable	50,435,754
b Less allowance for bad debts	737,158
Net trade notes and accounts receivable	
3 Inventories	49,698,596
4 U.S. government obligations	13,479,384
5 Tax-exempt securities	0
6 Other current assets	2,613,058
7 Loans to stockholders	0
8 Mortgage and real estate loans	0
9 Other investments	-88,194,697
10a Buildings and other depreciable assets	174,414,042
b Less accumulated depreciation	85,237,766
Net buildings and other depreciable assets	
11a Depletable assets	89,176,276
b Less accumulated depletion	0
Net depletable assets	
12 Land (net of any amortization)	2,466,334
13a Intangible assets (amortizable only)	14,452,884
b Less accumulated amortization	1,250,258
Net intangible assets	
14 Other assets	13,202,626
	25,344,799
15 Total assets	107,786,376
Liabilities & Stockholders' Equity	
16 Accounts payable	22,906,342
17 Mortgages, notes, bonds payable within 1 year	47,998
18 Other current liabilities	43,629,097
19 Loans from shareholders	0
20 Mortgages, notes, bonds payable 1 year or more	0
21 Other liabilities	5,766,722
22 Capital stock - a preferred stock	0
b common stock	0
Total capital stock	
23 Paid-in or capital surplus	0
24 Retained earnings - appropriated	0
25 Retained earnings - unappropriated	35,436,217
26 Adjustments to shareholders' equity	0
27 Less cost of treasury stock	0
28 Total liabilities & stockholders' equity	107,786,376

W.R. GRACE & CO.-CONN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Ending)

Statement 3

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Assets						
1 Cash	36,401,758	0	0	36,401,758	0	0
2a Trade notes and accounts receivable	162,799,935	0	0	162,799,935	0	0
b Less allowance for bad debts	1,475,365	0	0	1,475,365	0	0
Net trade notes and accounts receivable	161,324,570	0	0	161,324,570	0	0
3 Inventories	89,314,397	0	0	89,314,397	0	0
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	44,869,337	0	0	44,869,337	0	0
7 Loans to stockholders	0	0	0	0	0	0
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	1,795,517,586	0	0	1,795,517,586	0	0
10a Buildings and other depreciable assets	1,042,918,916	0	0	1,042,918,916	0	0
b Less accumulated depreciation	668,953,459	0	0	668,953,459	0	0
Net buildings and other depreciable assets	373,965,457	0	0	373,965,457	0	0
11a Depletable assets	1,109,421	0	0	1,109,421	0	0
b Less accumulated depletion	267,879	0	0	267,879	0	0
Net depletable assets	841,542	0	0	841,542	0	0
12 Land (net of any amortization)	7,131,364	0	0	7,131,364	0	0
13a Intangible assets (amortizable only)	67,340,128	0	0	67,340,128	0	0
b Less accumulated amortization	12,957,096	0	0	12,957,096	0	0
Net intangible assets	54,383,032	0	0	54,383,032	0	0
14 Other assets	1,370,771,002	0	0	1,370,771,002	0	0
15 Total assets	3,934,520,045	0	0	3,934,520,045	0	0
Liabilities & Stockholders' Equity						
16 Accounts payable	60,476,741	0	0	60,476,741	0	0
17 Mortgages, notes, bonds payable within 1 year	299,529	0	0	299,529	0	0
18 Other current liabilities	1,853,482,337	0	0	1,853,482,337	0	0
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	501,543,000	0	0	501,543,000	0	0
21 Other liabilities	1,863,080,086	0	0	1,863,080,086	0	0
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	85,019,000	0	0	85,019,000	0	0
Total capital stock	85,019,000	0	0	85,019,000	0	0
23 Paid-in or capital surplus	142,269,878	0	0	142,269,878	0	0
24 Retained earnings - appropriated	-2,000	0	0	-2,000	0	0
25 Retained earnings - unappropriated	-571,648,526	0	0	-571,648,526	0	0
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
Total liabilities & stockholders' equity	3,934,520,045	0	0	3,934,520,045	0	0

W.R. GRACE & CO. - MINN. and DIVISIONS
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For Year Ended 12/31/2001

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Form 1120 US Corporation Income Tax Return
Consolidated Balance Sheet (Ending)

Statement 3

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Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	DeweytAlmy
Assets						
1 Cash	682,114	0	37,864,619	0	0	1,001
2a Trade notes and accounts receivable	1,874,668	0	14,543,289	0	0	0
b Less allowance for bad debts	97,470	0	216,557	0	0	0
	1,777,198	0	14,326,732	0	0	0
Net trade notes and accounts receivable	560,728	0	1,748	0	0	0
3 Inventories	0	0	0	0	0	0
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	0	0	34,006,718	109,165	0	0
7 Loans to stockholders	0	0	0	0	0	0
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	163,647	467,934,495	1,166,031,433	0	0	94,022
10a Buildings and other depreciable assets	50,966	0	36,818,671	0	0	0
b Less accumulated depreciation			21,934,018	0	0	0
	112,681	0	14,884,653	0	0	0
Net buildings and other depreciable assets	0	0	0	0	0	0
11a Depletable assets	0	0	0	0	0	0
b Less accumulated depletion						
	0	0	0	0	0	0
Net depletable assets	0	0	0	0	0	0
12 Land (net of any amortization)	0	0	525,048	0	0	0
13a Intangible assets (amortizable only)	0	0	19,613,466	0	0	0
b Less accumulated amortization	0	0	0	0	0	0
Net intangible assets	0	0	19,613,466	0	0	0
14 Other assets	0	0	1,304,810,680	0	0	0
15 Total assets	3,132,721	467,934,495	2,592,065,097	109,165	0	95,023
Liabilities & Stockholders' Equity						
16 Accounts payable	31,753	0	8,257,520	0	0	0
17 Mortgages, notes, bonds payable within 1 year	0	0	149,719	0	0	0
18 Other current liabilities	1,816,878	467,934,495	744,312,244	-2,017,808	24,597,535	102,989
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	0	0	501,543,000	0	0	0
21 Other liabilities	0	0	1,805,253,877	0	0	0
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	517,000	0	84,500,000	0	0	2,000
Total capital stock	517,000	0	84,500,000	0	0	2,000
23 Paid-in or capital surplus	0	0	142,269,878	0	0	0
24 Retained earnings - appropriated	0	0	0	0	0	0
25 Retained earnings - unappropriated	767,090	0	-694,221,141	2,126,973	-24,597,535	-9,966
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
28 Total liabilities & stockholders' equity	3,132,721	467,934,495	2,592,065,097	109,165	0	95,023

W.R. GRACE & CO., INC. and DIVISIONS
 U.S. Corporation Income Tax Return
 For Year Ended 12/31/2001

Form 1120 US Corporation Income Tax Return
 Consolidated Balance Sheet (Ending)

Statement 3

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Assets						
1 Cash	-2,169,726	23,750	0	0	0	0
2a Trade notes and accounts receivable	85,234,989	0	0	0	0	12,282,037
b Less allowance for bad debts	490,384	0	0	0	0	84,755
Net trade notes and accounts receivable	84,744,605	0	0	0	0	12,197,282
3 Inventories	67,143,238	0	0	0	0	8,039,556
4 U.S. government obligations	0	0	0	0	0	0
5 Tax-exempt securities	0	0	0	0	0	0
6 Other current assets	6,234,981	0	379,679	0	0	1,237,555
7 Loans to stockholders	0	0	0	0	0	0
8 Mortgage and real estate loans	0	0	0	0	0	0
9 Other investments	18,111,017	0	0	0	0	0
10a Buildings and other depreciable assets	785,013,435	0	0	139,130,000	0	39,601,269
b Less accumulated depreciation	528,680,898	0	0	0	0	26,122,289
Net buildings and other depreciable assets	256,332,537	0	0	0	0	13,478,980
11a Depletable assets	1,109,421	0	0	0	0	0
b Less accumulated depletion	267,879	0	0	0	0	0
Net depletable assets	841,542	0	0	0	0	0
12 Land (net of any amortization)	3,856,336	0	0	0	0	265,713
13a Intangible assets (amortizable only)	34,759,426	0	0	0	0	-1,535,648
b Less accumulated amortization	12,413,663	0	0	0	0	-1,238,891
Net intangible assets	22,345,763	0	0	0	0	-296,757
14 Other assets	29,439,006	0	0	5,200,000	0	4,164,448
Total assets	486,879,299	23,750	379,679	144,330,000	0	39,086,777
Liabilities & Stockholders' Equity						
16 Accounts payable	24,846,236	-25,045	0	0	0	6,499,098
17 Mortgages, notes, bonds payable within 1 year	0	0	0	0	0	0
18 Other current liabilities	290,342,894	-7,620,324	-787,249	296,679,975	-319	6,146,814
19 Loans from shareholders	0	0	0	0	0	0
20 Mortgages, notes, bonds payable 1 year or more	0	0	0	0	0	0
21 Other liabilities	49,707,423	0	0	0	0	1,497,651
22 Capital stock - a preferred stock	0	0	0	0	0	0
b common stock	0	0	0	0	0	0
Total capital stock	0	0	0	0	0	0
23 Paid-in or capital surplus	0	0	0	0	0	0
24 Retained earnings - appropriated	0	0	0	-2,000	0	0
25 Retained earnings - unappropriated	121,982,746	7,669,119	1,166,928	-152,347,975	319	24,943,214
26 Adjustments to shareholders' equity	0	0	0	0	0	0
27 Less cost of treasury stock	0	0	0	0	0	0
Total liabilities & stockholders' equity	486,879,299	23,750	379,679	144,330,000	0	39,086,777

Form 1120 US Corporation Income Tax Return
 Consolidated Balance Sheet (Ending)

Line Description	Construction
Assets	
1 Cash	0
2a Trade notes and accounts receivable	48,864,952
b Less allowance for bad debts	586,199
Net trade notes and accounts receivable	48,278,753
3 Inventories	13,569,127
4 U.S. government obligations	0
5 Tax-exempt securities	0
6 Other current assets	2,901,239
7 Loans to stockholders	0
8 Mortgage and real estate loans	0
9 Other investments	4,216,619
10a Buildings and other depreciable assets	181,321,894
b Less accumulated depreciation	92,165,288
Net buildings and other depreciable assets	89,156,606
11a Depletable assets	0
b Less accumulated depletion	0
Net depletable assets	0
12 Land (net of any amortization)	2,484,267
13a Intangible assets (amortizable only)	14,502,884
b Less accumulated amortization	1,782,324
Net intangible assets	12,720,560
14 Other assets	27,156,868
15 Total assets	200,484,039
Liabilities & Stockholders' Equity	
16 Accounts payable	20,867,179
17 Mortgages, notes, bonds payable within 1 year	149,810
18 Other current liabilities	31,974,213
19 Loans from shareholders	0
20 Mortgages, notes, bonds payable 1 year or more	0
21 Other liabilities	6,621,135
22 Capital stock - a preferred stock	0
b common stock	0
Total capital stock	0
23 Paid-in or capital surplus	0
24 Retained earnings - appropriated	0
25 Retained earnings - unappropriated	140,871,702
26 Adjustments to shareholders' equity	0
27 Less cost of treasury stock	0
28 Total liabilities & stockholders' equity	200,484,039

W.R. GRACE & CO.-CONN. and DIVISIONS
U.S. Corporation Income Tax Return
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Consolidated Reconciliation of Taxable Income

Statement 4

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
1 Net income per books	-35,340,622	0	0	-35,340,622	0	0
2 Federal income tax per books	3,528,557	0	0	3,528,557	0	0
3 Excess of capital losses over cap gns	0	0	0	0	0	0
4 Inc. subject to tax not on books this yr	9,478,717	0	0	9,478,717	0	0
5 Exps. on books but not on return this yr:	-38,635,846	0	0	-38,635,846	0	0
a Depreciation	60,243,506	0	0	60,243,506	0	0
b Charitable contributions	0	0	0	0	0	0
c Travel and entertainment	2,701,621	0	0	2,701,621	0	0
Work opportunity credit	0	0	0	0	0	0
6 Add lines 1 through 5	1,975,933	0	0	1,975,933	0	0
7 Income on books but not on return this yr:	27,462,453	0	0	27,462,453	0	0
Tax-exempt interest	0	0	0	0	0	0
8 Deds. on return but not on books this yr:	65,549,869	0	0	65,549,869	0	0
a Depreciation	64,567,454	0	0	64,567,454	0	0
b Charitable contributions	0	0	0	0	0	0
Capital loss carryover	0	0	0	0	0	0
9 Add lines 7 and 8	157,579,776	0	0	157,579,776	0	0
10 Income - line 6 less line 9	-155,603,843	0	0	-155,603,843	0	0

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Consolidated Reconciliation of Taxable Income

Statement 4

Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
1 Net income per books	476,013	0	-103,602,182	207,999	0	0
2 Federal income tax per books	0	0	-35,081,371	98,593	0	0
3 Excess of capital losses over cap gns	0	0	0	0	0	0
4 Inc. subject to tax not on books this yr	21,123	0	2,892,486	0	0	0
5 Exps. on books but not on return this yr:	0	0	-54,806,313	0	0	0
a Depreciation	0	0	1,910,034	0	0	0
b Charitable contributions	0	0	0	0	0	0
c Travel and entertainment	10,233	0	213,283	0	0	0
Work opportunity credit	0	0	0	0	0	0
6 Add lines 1 through 5	507,369	0	-188,474,063	306,592	0	0
7 Income on books but not on return this yr:	0	0	21,246,518	0	0	0
Tax-exempt interest	0	0	0	0	0	0
8 Deds. on return but not on books this yr:	25,681	0	60,760,409	329,856	0	0
a Depreciation	0	0	3,253,136	0	0	0
b Charitable contributions	0	0	0	0	0	0
Capital loss carryover	0	0	0	0	0	0
9 Add lines 7 and 8	25,681	0	85,260,063	329,856	0	0
10 Income - line 6 less line 9	481,688	0	-273,734,126	-23,264	0	0

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Consolidated Reconciliation of Taxable Income

Statement 4

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont (Lexington)
1 Net income per books	23,941,721	0	316,210	0	0	9,963,266
2 Federal income tax per books	14,277,736	0	170,270	0	0	5,423,586
3 Excess of capital losses over cap gns	0	0	0	0	0	0
4 Inc. subject to tax not on books this yr	3,978,894	0	0	0	0	2,952,880
5 Exps. on books but not on return this yr:	9,802,959	0	350,560	0	0	-1,576,947
a Depreciation	38,392,965	0	0	0	0	3,145,286
b Charitable contributions	0	0	0	0	0	0
c Travel and entertainment	586,116	0	0	0	0	99,251
Work opportunity credit	0	0	0	0	0	0
6 Add lines 1 through 5	90,980,391	0	837,040	0	0	20,007,322
7 Income on books but not on return this yr:						
Tax-exempt interest	3,059,156	0	0	0	0	3,339,806
8 Deds. on return but not on books this yr:						
a Depreciation	2,239,482	0	837,040	0	0	110,684
b Charitable contributions	41,517,797	0	0	0	0	2,605,618
Capital loss carryover	0	0	0	0	0	0
9 Add lines 7 and 8	46,816,435	0	837,040	0	0	6,056,108
10 Income - line 6 less line 9	44,163,956	0	0	0	0	13,951,214

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Statement 4

Form 1120 US Corporation Income Tax Return
Consolidated Reconciliation of Taxable Income

Line Description	Construction
1 Net income per books	33,356,351
2 Federal income tax per books	18,639,743
3 Excess of capital losses over cap gns	0
4 Inc. subject to tax not on books this yr	-345,543
5 Exps. on books but not on return this yr:	7,572,772
a Depreciation	16,795,221
b Charitable contributions	0
c Travel and entertainment	1,792,738
Work opportunity credit	0
6 Add lines 1 through 5	77,811,282
7 Income on books but not on return this yr:	-183,027
Tax-exempt interest	0
8 Deds. on return but not on books this yr:	1,246,717
a Depreciation	17,190,903
b Charitable contributions	0
Capital loss carryover	0
9 Add lines 7 and 8	18,254,593
10 Income - line 6 less line 9	59,556,689

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U.S. Corporation Income Tax Return
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Form 1120 US Corporation Income Tax Return
Consolidated Capital Gains and Losses

Statement 5

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Part I - Short-Term Capital Gains & Losses						
1 Short-term capital gains and losses	0	0	0	0	0	0
2 From installment sales (Form 6252)	0	0	0	0	0	0
3 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
4 Unused capital loss carryover	0	0	0	0	0	0
5 Net short-term capital gain/-loss	0	0	0	0	0	0
Part II - Long-Term Capital Gains & Losses						
6 Long term capital gains and losses	558,785	-586,194	0	1,144,979	0	0
7 Gain from Form 4797, line 7 or 9	0	0	0	0	0	0
8 From installment sales (Form 6252)	0	0	0	0	0	0
9 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
10 Capital gain distributions	0	0	0	0	0	0
11 Net long-term capital gain/-loss	558,785	-586,194	0	1,144,979	0	0
Part III - Summary of Parts I and II						
12 Excess of ST gain over LT loss	0	0	0	0	0	0
13 Excess of LT gain over ST loss	558,785	-586,194	0	1,144,979	0	0
14 Add lines 12 & 13. (1120 page 1 line 8)	558,785	-586,194	0	1,144,979	0	0

W.R. GRACE & CO., INC. and DIVISIONS
U.S. Corporation Income Tax Return
For Year Ended 12/31/2001

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Form 1120 US Corporation Income Tax Return
Consolidated Capital Gains and Losses

Statement 5

Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Part I - Short-Term Capital Gains & Losses						
1 Short-term capital gains and losses	0	0	0	0	0	0
2 From installment sales (Form 6252)	0	0	0	0	0	0
3 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
4 Unused capital loss carryover	0	0	0	0	0	0
5 Net short-term capital gain/-loss	0	0	0	0	0	0
Part II - Long-Term Capital Gains & Losses						
6 Long term capital gains and losses	0	0	0	0	0	0
7 Gain from Form 4797, line 7 or 9	0	0	0	0	0	0
8 From installment sales (Form 6252)	0	0	0	0	0	0
9 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
10 Capital gain distributions	0	0	0	0	0	0
11 Net long-term capital gain/-loss	0	0	0	0	0	0
Part III - Summary of Parts I and II						
12 Excess of ST gain over LT loss	0	0	0	0	0	0
13 Excess of LT gain over ST loss	0	0	0	0	0	0
14 Add lines 12 & 13. (1120 page 1 line 8)	0	0	0	0	0	0

W.R. GRACE & CO. - CONN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
 Consolidated Capital Gains and Losses

Statement 5

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Part I - Short-Term Capital Gains & Losses						
1 Short-term capital gains and losses	0	0	0	0	0	0
2 From installment sales (Form 6252)	0	0	0	0	0	0
3 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
4 Unused capital loss carryover	0	0	0	0	0	0
5 Net short-term capital gain/-loss	0	0	0	0	0	0
Part II - Long-Term Capital Gains & Losses						
6 Long term capital gains and losses	0	0	0	0	0	0
7 Gain from Form 4797, line 7 or 9	0	0	0	0	0	1,144,979
8 From installment sales (Form 6252)	0	0	0	0	0	0
9 From like-kind exchanges (Form 8824)	0	0	0	0	0	0
10 Capital gain distributions	0	0	0	0	0	0
11 Net long-term capital gain/-loss	0	0	0	0	0	1,144,979
Part III - Summary of Parts I and II						
12 Excess of ST gain over LT loss	0	0	0	0	0	0
13 Excess of LT gain over ST loss	0	0	0	0	0	1,144,979
14 Add lines 12 & 13. (1120 page 1 line 8)	0	0	0	0	0	1,144,979

W.R. GRACE & CO. - CONN. and DIVISIONS
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Statement 5

Form 1120 US Corporation Income Tax Return
 Consolidated Capital Gains and Losses

Line Description	Construction
Part I - Short-Term Capital Gains & Losses	
1 Short-term capital gains and losses	0
2 From installment sales (Form 6252)	0
3 From like-kind exchanges (Form 8824)	0
4 Unused capital loss carryover	0
5 Net short-term capital gain/-loss	0
Part II - Long-Term Capital Gains & Losses	
6 Long term capital gains and losses	0
7 Gain from Form 4797, line 7 or 9	0
8 From installment sales (Form 6252)	0
9 From like-kind exchanges (Form 8824)	0
10 Capital gain distributions	0
11 Net long-term capital gain/-loss	0
Part III - Summary of Parts I and II	
12 Excess of ST gain over LT loss	0
13 Excess of LT gain over ST loss	0
14 Add lines 12 & 13. (1120 page 1 line 8)	0

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Form 1120 US Corporation Income Tax Return
Consolidated Sales of Business Property

Statement 6

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Part I - Sales or Exchanges - More than 1 year						
1 Gross proceeds from real estate sale on 1099-S	0	0	0	0	0	0
2 Gain/-loss from property sales	-643,249	0	0	-643,249	0	0
3 Gain, if any, from Form 4684, line 39	0	0	0	0	0	0
4 Sec. 1231 gain from installment sales from Form 6252	0	0	0	0	0	0
5 Section 1231 gain/-loss from like-kind exchanges	0	0	0	0	0	0
6 Gain from line 32, from other than casualty/theft	1,202,034	0	0	1,202,034	0	0
7 Add lines 2 through 6	558,785	0	0	558,785	0	0
8 Nonrecaptured prior year net 1231 losses	0	0	0	0	0	0
9 Subtract line 8 from line 7	0	0	0	0	0	0
Part II - Ordinary Gains and Losses						
10 Ordinary gain/-loss not on lines 11-17	0	0	0	0	0	0
11 Loss, if any, from line 7	0	586,194	0	-586,194	0	0
12 Gain, if any, from line 7, or 8 if applicable	0	0	0	0	0	0
13 Gain, if any, from line 31	1,822,821	0	0	1,822,821	0	0
14 Net gain/-loss from Form 4684, lines 31 and 38a	0	0	0	0	0	0
15 Ordinary gain from installment sales from Form 6252	0	0	0	0	0	0
16 Ordinary gain/-loss from like-kind exchanges	0	0	0	0	0	0
17 Recapture of section 179 deduction	0	0	0	0	0	0
18 Add lines 10 through 17	1,822,821	586,194	0	1,236,627	0	0
Part III - Sections 1245, 1250, 1252, 1254, Gains						
30 Total gains for all properties	3,024,855	0	0	3,024,855	0	0
31 Total recapture for all properties	1,822,821	0	0	1,822,821	0	0
32 Subtract line 31 from line 30	1,202,034	0	0	1,202,034	0	0
Part IV - Recapture Amounts Under Sections 179 and 280F						
33a Section 179 - Section 179 expense ded.	0	0	0	0	0	0
34a Section 179 - recomputed depreciation	0	0	0	0	0	0
35a Section 179 - recapture amount (33a - 34a)	0	0	0	0	0	0
33b Section 280F - Section 179 expense ded.	0	0	0	0	0	0

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Form 1120 US Corporation Income Tax Return
Consolidated Sales of Business Property

Statement 6

Line Description

Part I - Sales or Exchanges - More than 1 year

1 Gross proceeds from real estate sale on 1099-S

2 Gain/-loss from property sales

3 Gain, if any, from Form 4684, line 39

4 Sec. 1231 gain from installment sales from Form 6252

5 Section 1231 gain/-loss from like-kind exchanges

6 Gain from line 32, from other than casualty/theft

7 Add lines 2 through 6

8 Nonrecaptured prior year net 1231 losses

9 Subtract line 8 from line 7

Part II - Ordinary Gains and Losses

10 Ordinary gain/-loss not on lines 11-17

11 Loss, if any, from line 7

12 Gain, if any, from line 7, or 8 if applicable

13 Gain, if any, from line 31

14 Net gain/-loss from Form 4684, lines 31 and 38a

15 Ordinary gain from installment sales from Form 6252

16 Ordinary gain/-loss from like-kind exchanges

17 Recapture of section 179 deduction

18 Add lines 10 through 17

Part III - Sections 1245, 1250, 1252, 1254, Gains

30 Total gains for all properties

31 Total recapture for all properties

32 Subtract line 31 from line 30

Part IV - Recapture Amounts Under Sections 179 and 280F

33a Section 179 - Section 179 expense ded.

34a Section 179 - recomputed depreciation

35a Section 179 - recapture amount (33a - 34a)

33b Section 280F - Section 179 expense ded.

Peru NRG Conn Headquarter Interamerican GSB HQ Dewey&Almy

W.R. GRACE & CO.-CONN. and DIVISIONS
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Statement 6

Form 1120 US Corporation Income Tax Return
 Consolidated Sales of Business Property

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Part I - Sales or Exchanges - More than 1 year						
1 Gross proceeds from real estate sale on 1099-S	0	0	0	0	0	0
2 Gain/-loss from property sales	-240,651	0	0	0	0	-57,055
3 Gain, if any, from Form 4684, line 39	0	0	0	0	0	0
4 Sec. 1231 gain from installment sales from Form 6252	0	0	0	0	0	0
5 Section 1231 gain/-loss from like-kind exchanges	0	0	0	0	0	0
6 Gain from line 32, from other than casualty/theft	0	0	0	0	0	1,202,034
7 Add lines 2 through 6	-240,651	0	0	0	0	1,144,979
8 Nonrecaptured prior year net 1231 losses	0	0	0	0	0	0
9 Subtract line 8 from line 7	0	0	0	0	0	0
Part II - Ordinary Gains and Losses						
10 Ordinary gain/-loss not on lines 11-17	0	0	0	0	0	0
11 Loss, if any, from line 7	-240,651	0	0	0	0	0
12 Gain, if any, from line 7, or 8 if applicable	0	0	0	0	0	0
13 Gain, if any, from line 31	0	0	0	0	0	1,807,901
14 Net gain/-loss from Form 4684, lines 31 and 38a	0	0	0	0	0	0
15 Ordinary gain from installment sales from Form 6252	0	0	0	0	0	0
16 Ordinary gain/-loss from like-kind exchanges	0	0	0	0	0	0
17 Recapture of section 179 deduction	0	0	0	0	0	0
18 Add lines 10 through 17	-240,651	0	0	0	0	1,807,901
Part III - Sections 1245, 1250, 1252, 1254, Gains						
30 Total gains for all properties	0	0	0	0	0	3,009,935
31 Total recapture for all properties	0	0	0	0	0	1,807,901
32 Subtract line 31 from line 30	0	0	0	0	0	1,202,034
Part IV - Recapture Amounts Under Sections 179 and 280F						
33a Section 179 - Section 179 expense ded.	0	0	0	0	0	0
34a Section 179 - recomputed depreciation	0	0	0	0	0	0
35a Section 179 - recapture amount (33a - 34a)	0	0	0	0	0	0
33b Section 280F - Section 179 expense ded.	0	0	0	0	0	0

Form 1120 US Corporation Income Tax Return
Consolidated Sales of Business Property

Line Description	Construction
Part I - Sales or Exchanges - More than 1 year	
1 Gross proceeds from real estate sale on 1099-S	0
2 Gain/-loss from property sales	-345,543
3 Gain, if any, from Form 4684, line 39	0
4 Sec. 1231 gain from installment sales from Form 6252	0
5 Section 1231 gain/-loss from like-kind exchanges	0
6 Gain from line 32, from other than casualty/theft	0
7 Add lines 2 through 6	-345,543
8 Nonrecaptured prior year net 1231 losses	0
9 Subtract line 8 from line 7	0
Part II - Ordinary Gains and Losses	
10 Ordinary gain/-loss not on lines 11-17	0
11 Loss, if any, from line 7	-345,543
12 Gain, if any, from line 7, or 8 if applicable	0
13 Gain, if any, from line 31	0
14 Net gain/-loss from Form 4684, lines 31 and 38a	0
15 Ordinary gain from installment sales from Form 6252	0
16 Ordinary gain/-loss from like-kind exchanges	0
17 Recapture of section 179 deduction	0
18 Add lines 10 through 17	-345,543
Part III - Sections 1245, 1250, 1252, 1254, Gains	
30 Total gains for all properties	0
31 Total recapture for all properties	0
32 Subtract line 31 from line 30	0
Part IV - Recapture Amounts Under Sections 179 and 280F	
33a Section 179 - Section 179 expense ded.	0
34a Section 179 - recomputed depreciation	0
35a Section 179 - recapture amount (33a - 34a)	0
33b Section 280F - Section 179 expense ded.	0

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 Consolidated Sales of Business Property

Statement 6

Line Description	Consolidated Total	Limitations	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
34b Section 280F - recomputed depreciation	0	0	0	0	0	0
35b Section 280F - recapture amt. (33b - 34b)	0	0	0	0	0	0

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Consolidated Sales of Business Property

Statement 6

Line Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
34b Section 280F - recomputed depreciation	0	0	0	0	0	0
35b Section 280F - recapture amt. (33b - 34b)	0	0	0	0	0	0

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 Consolidated Sales of Business Property

Statement 6

Line Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
34b Section 280F - recomputed depreciation	0	0	0	0	0	0
35b Section 280F - recapture amt. (33b - 34b)	0	0	0	0	0	0

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Consolidated Sales of Business Property

Statement 6

Line Description	Construction
34b Section 280F - recomputed depreciation	0
35b Section 280F - recapture amt. (33b - 34b)	0

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Statement 7

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Foreign Exchange Gain/Loss	59,599	0	59,599	0	0
Fee Income	250,000	0	250,000	0	0
Miscellaneous Income	-1,497,163	0	-1,497,163	0	0
Equity in Earnings of Partnerships	3,563,594	0	3,563,594	0	0
Service Income	4,398,925	0	4,398,925	0	0
Branch Income (Loss)	-1,460,433	0	-1,460,433	0	0
Totals	5,314,522	0	5,314,522	0	0

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Statement 7

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Foreign Exchange Gain/Loss	-34,951	0	313	0	0	0
Fee Income	0	0	0	0	0	0
Miscellaneous Income	0	0	-2,469,431	0	0	0
Equity in Earnings of Partnerships	0	0	0	0	0	0
Service Income	0	0	0	0	0	0
Branch Income (Loss)	0	0	-1,460,433	0	0	0
Totals	-34,951	0	-3,929,551	0	0	0

W.R. GRACE & CO.-CONN. and DIVISIONS
 U.S. Corporation Income Tax Return
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 Page 1, Line 10--Other Income

Statement 7

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Foreign Exchange Gain/Loss	-50,934	0	0	0	0	47,404
Fee Income	0	0	0	0	0	0
Miscellaneous Income	496,000	0	0	0	0	5,000
Equity in Earnings of Partnerships	3,563,594	0	0	0	0	0
Service Income	4,398,925	0	0	0	0	0
Branch Income (Loss)	0	0	0	0	0	0
Totals	8,407,585	0	0	0	0	52,404

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Statement 7

Item Description	Construction
Foreign Exchange Gain/Loss	97,767
Fee Income	250,000
Miscellaneous Income	471,268
Equity in Earnings of Partnerships	0
Service Income	0
Branch Income (Loss)	0
Totals	819,035

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Page 1, Line 17--Taxes

Statement 8

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
State taxes based on income	-657,257	0	-657,257	0	0
Taxes-Real and Personal Property	6,094,972	0	6,094,972	0	0
Payroll Taxes	15,000,744	0	15,000,744	0	0
Totals	20,438,459	0	20,438,459	0	0

W.R. GRACE & CO.-U.S. and DIVISIONS
 U.S. Corporation Income Tax Return
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 Page 1, Line 17--Taxes

Statement 8

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
State taxes based on income	0	0	-657,257	0	0	0
Taxes-Real and Personal Property	0	0	959,950	0	0	0
Payroll Taxes	0	0	1,348,231	0	0	0
Totals	0	0	1,650,924	0	0	0

Form 1120 US Corporation Income Tax Return
 Page 1, Line 17--Taxes

Statement 8

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
State taxes based on income	0	0	0	0	0	0
Taxes-Real and Personal Property	3,307,484	0	0	0	0	399,307
Payroll Taxes	8,061,246	0	0	0	0	814,190
Totals	11,368,730	0	0	0	0	1,213,497

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Statement 8

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 U.S. Corporation Income Tax Return
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Item Description	Construction
State taxes based on income	0
Taxes-Real and Personal Property	1,428,231
Payroll Taxes	4,777,077
Totals	6,205,308

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Statement 9

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Professional Fees	41,037,556	0	41,037,556	0	0
Training and Seminars	1,459,708	0	1,459,708	0	0
Miscellaneous Expenses	1,065,578	0	1,065,578	0	0
Employees Relations	3,580,910	0	3,580,910	0	0
Incorporation Expenses	279,034	0	279,034	0	0
Financial Expenses	3,525,088	0	3,525,088	0	0
Membership and Dues	1,538,445	0	1,538,445	0	0
Office Equipment and Supplies	7,257,949	0	7,257,949	0	0
Publications and Subscriptions	1,208,791	0	1,208,791	0	0
Software Expenses	2,277,171	0	2,277,171	0	0
Operation Tools and Supplies	23,699,451	0	23,699,451	0	0
Direct Project Expenses	1,732,284	0	1,732,284	0	0
IS Hardware and Network Expenses	1,812,757	0	1,812,757	0	0
Telecommunication Expenses	7,346,742	0	7,346,742	0	0
Travel & Entertainment Expenses	25,529,903	0	25,529,903	0	0
Reclamation Expenses	4,363	0	4,363	0	0
Environmental Expenses	38,192,810	0	38,192,810	0	0
Safety Expenses	738,507	0	738,507	0	0
Building Occupancy Expenses	82,711	0	82,711	0	0
Utilities Expenses	56,306,357	0	56,306,357	0	0
Insurance Expenses	8,026,037	0	8,026,037	0	0
Automotive Expenses	3,128,848	0	3,128,848	0	0
Service Charges	16,210,978	0	16,210,978	0	0
Expenses Transfer In/Out	-224,060,484	0	-224,060,484	0	0
Start-up Expenses	82,616	0	82,616	0	0
Legal Settlement Charges	-195,294	0	-195,294	0	0
Insurance Claims	-3,539	0	-3,539	0	0
Earning from Discontinued Operations	2,473,538	0	2,473,538	0	0
Interco Expenses	838,669	0	838,669	0	0
Restructuring charges	1,205,598	0	1,205,598	0	0
Divestment Charges	-2,243,714	0	-2,243,714	0	0
Asbestos Charges	63,495,522	0	63,495,522	0	0
Amortization Expenses	5,108,866	0	5,108,866	0	0
Totals	92,743,756	0	92,743,756	0	0

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Statement 9

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Professional Fees	25,681	0	26,073,529	0	0	0
Training and Seminars	0	0	414,776	0	0	0
Miscellaneous Expenses	0	0	1,485,552	-8,326	0	0
Employees Relations	0	0	529,527	0	0	0
Incorporation Expenses	0	0	279,034	0	0	0
Financial Expenses	0	0	3,261,866	0	0	0
Membership and Dues	0	0	444,978	0	0	0
Office Equipment and Supplies	0	0	744,577	0	0	0
Publications and Subscriptions	0	0	316,293	0	0	0
Software Expenses	0	0	13,978	0	0	0
Operation Tools and Supplies	0	0	72,240	0	0	0
Direct Project Expenses	0	0	7,016	0	0	0
IS Hardware and Network Expenses	0	0	102,467	0	0	0
Telecommunication Expenses	0	0	413,063	0	0	0
Travel & Entertainment Expenses	526,383	0	2,397,041	0	0	0
Reclamation Expenses	0	0	0	0	0	0
Environmental Expenses	0	0	22,019,337	0	0	0
Safety Expenses	0	0	600	0	0	0
Building Occupancy Expenses	0	0	80,488	0	0	0
Utilities Expenses	0	0	2,097,184	0	0	0
Insurance Expenses	0	0	5,166,534	0	0	0
Automotive Expenses	0	0	0	0	0	0
Service Charges	0	0	404,983	0	0	0
Expenses Transfer In/Out	20,044	0	-22,105,992	0	0	0
Start-up Expenses	0	0	0	0	0	0
Legal Settlement Charges	0	0	0	0	0	0
Insurance Claims	0	0	0	0	0	0
Earning from Discontinued Operations	0	0	3,606,066	0	0	0
Interco Expenses	-20,672	0	859,341	0	0	0
Restructuring Charges	0	0	804,654	31,590	0	0
Divestment Charges	0	0	-2,243,714	0	0	0
Asbestos Charges	0	0	63,495,522	0	0	0
Amortization Expenses	0	0	1,467,484	0	0	0
Totals	551,436	0	112,208,424	23,264	0	0

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Statement 9

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Professional Fees	5,503,822	0	0	0	0	3,333,929
Training and Seminars	163,017	0	0	0	0	85,564
Miscellaneous Expenses	362,812	0	0	0	0	-73,977
Employees Relations	1,275,174	0	0	0	0	246,541
Incorporation Expenses	0	0	0	0	0	0
Financial Expenses	236,342	0	0	0	0	26,880
Membership and Dues	620,656	0	0	0	0	14,555
Office Equipment and Supplies	1,814,866	0	0	0	0	871,272
Publications and Subscriptions	448,062	0	0	0	0	27,791
Software Expenses	704,750	0	0	0	0	12,123
Operation Tools and Supplies	19,659,507	0	0	0	0	144,769
Direct Project Expenses	0	0	0	0	0	572,575
IS Hardware and Network Expenses	918,192	0	0	0	0	6,316
Telecommunication Expenses	2,294,706	0	0	0	0	442,205
Travel & Entertainment Expenses	9,623,825	0	0	0	0	1,346,212
Reclamation Expenses	0	0	0	0	0	0
Environmental Expenses	15,405,723	0	0	0	0	88,353
Safety Expenses	207,894	0	0	0	0	56,583
Building Occupancy Expenses	0	0	0	0	0	0
Utilities Expenses	52,404,369	0	0	0	0	168,479
Insurance Expenses	1,246,473	0	0	0	0	141,168
Automotive Expenses	331	0	0	0	0	21,936
Service Charges	9,164,310	0	0	0	0	-177,514
Expenses Transfer In/Out	-188,861,115	0	0	0	-22,143	5,537,121
Start-up Expenses	82,616	0	0	0	0	0
Legal Settlement Charges	0	0	0	0	0	-195,294
Insurance Claims	0	0	0	0	0	0
Earning from Discontinued Operations	-362,358	0	0	0	22,143	-91,556
Interco Expenses	0	0	0	0	0	0
Restructuring charges	0	0	350,560	0	0	18,794
Divestment Charges	0	0	0	0	0	0
Asbestos Charges	0	0	0	0	0	0
Amortization Expenses	2,640,917	0	0	0	0	91,198
Totals	-64,445,109	0	350,560	0	0	12,716,023

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Item Description	Construction
Professional Fees	6,100,595
Training and Seminars	796,351
Miscellaneous Expenses	-700,483
Employees Relations	1,529,668
Incorporation Expenses	0
Financial Expenses	0
Membership and Dues	458,256
Office Equipment and Supplies	3,827,234
Publications and Subscriptions	416,645
Software Expenses	1,546,320
Operation Tools and Supplies	3,822,935
Direct Project Expenses	1,152,693
IS Hardware and Network Expenses	785,782
Telecommunication Expenses	4,196,768
Travel & Entertainment Expenses	11,636,442
Reclamation Expenses	4,363
Environmental Expenses	679,397
Safety Expenses	473,430
Building Occupancy Expenses	2,223
Utilities Expenses	1,636,325
Insurance Expenses	1,471,862
Automotive Expenses	3,106,581
Service Charges	6,819,199
Expenses Transfer In/Out	-18,628,399
Start-up Expenses	0
Legal Settlement Charges	0
Insurance Claims	-3,539
Earning from Discontinued Operations	-700,757
Interco Expenses	0
Restructuring Charges	0
Divestment Charges	0
Asbestos Charges	0
Amortization Expenses	909,267
Totals	31,339,158

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Schedule A, Line 4--Section 263A Costs

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Statement 10

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Miscellaneous Additional Section 263A Costs	-1,232,000	0	-1,232,000	0	0
Totals	-1,232,000	0	-1,232,000	0	0

W.R. GRACE & CO. - CAN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
 Schedule A, Line 4--Section 263A Costs

Statement 10

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	DeweytAlmy
Miscellaneous Additional Section 263A Costs	0	0	0	0	0	0
Totals	0	0	0	0	0	0

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 Schedule A, Line 4--Section 263A Costs

Statement 10

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont (Lexington)
Miscellaneous Additional Section 263A Costs	-1,300,000	0	0	0	0	41,000
Totals	-1,300,000	0	0	0	0	41,000

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Statement 10

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Schedule A, Line 4--Section 263A Costs

Item Description	Construction
Miscellaneous Additional Section 263A Costs	27,000
Totals	27,000

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Form 1120 US Corporation Income Tax Return
 Schedule A, Line 5--Other Costs

Statement 11

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Brokers and agents commissions	-46,563	0	-46,563	0	0
Maintenance Costs	4,547,355	0	4,547,355	0	0
Utilities Costs	3,731,136	0	3,731,136	0	0
Freight Costs	42,196,054	0	42,196,054	0	0
Inventory Adjustments	-5,205,675	0	-5,205,675	0	0
Other Costs	311,551	0	311,551	0	0
Overhead Costs	371,600	0	371,600	0	0
Miscellaneous Other Costs-Sch A	367,890	0	367,890	0	0
Totals	46,273,348	0	46,273,348	0	0

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Schedule A, Line 5--Other Costs

Statement 11

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Brokers and agents commissions	0	0	-46,563	0	0	0
Maintenance Costs	0	0	0	0	0	0
Utilities Costs	0	0	0	0	0	0
Freight Costs	14,211	0	1,947	0	0	0
Inventory Adjustments	0	0	-2,222,000	0	0	0
Other Costs	0	0	0	0	0	0
Overhead Costs	0	0	0	0	0	0
Miscellaneous Other Costs-Sch A	0	0	0	0	0	0
Totals	14,211	0	-2,266,616	0	0	0

W.R. GRACE & CO.-CONN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
 Schedule A, Line 5--Other Costs

Statement 11

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Brokers and agents commissions	0	0	0	0	0	0
Maintenance Costs	0	0	0	0	0	0
Utilities Costs	14,627,318	0	0	0	0	2,436,430
Freight Costs	-3,622,381	0	0	0	0	324,562
Inventory Adjustments	0	0	0	0	0	0
Other Costs	0	0	0	0	0	0
Overhead Costs	-3,571,092	0	0	0	0	3,938,982
Miscellaneous Other Costs-Sch A						
Totals	7,433,845	0	0	0	0	6,699,974

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Statement 11

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Schedule A, Line 5--Other Costs

Item Description	Construction
Brokers and agents commissions	0
Maintenance Costs	4,547,355
Utilities Costs	3,731,136
Freight Costs	25,116,148
Inventory Adjustments	314,144
Other Costs	311,551
Overhead Costs	371,600
Miscellaneous Other Costs-Sch A	0
Totals	34,391,934

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Schedule E, Line 1--Compensation of Officers

Statement 12

Name of Officer	Social Security No.	Percent of Time	Common Stock	Preferred Stock	Compensation
Headquarter					
Available on request					5,847,889
Total Headquarter					5,847,889
Total					5,847,889

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U.S. Corporation Income Tax Return
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Schedule K, Line 3--Own 50% or More of Corp

Statement 13

Name of Corporation	Identification Number	Percent Owned	Taxable Income
Conn 13-5114230			
DEWEY AND ALMY COMPANY, LLC	04-6087235	100.0	0 0 0 0

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Form 1120 US Corporation Income Tax Return
Schedule L, Line 6--Other Current Assets (Beginning)

Statement 14

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Prepaid Insurance	13,729,100	0	13,729,100	0	0
Prepaid Rent	8,312	0	8,312	0	0
Prepaid Taxes	84,988	0	84,988	0	0
Prepaid Expenses	26,176	0	26,176	0	0
Current Deferred Taxes	109,428,084	0	109,428,084	0	0
Other Current Assets	1,705,652	0	1,705,652	0	0
Miscellaneous Other Current Assets	3,546,350	0	3,546,350	0	0
Totals	128,528,662	0	128,528,662	0	0

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Schedule L, Line 6--Other Current Assets (Beginning)

Statement 14

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	DeweyAlmy
Prepaid Insurance	0	0	13,632,962	0	0	0
Prepaid Rent	0	0	0	0	0	0
Prepaid Taxes	0	0	84,988	0	0	0
Prepaid Expenses	0	0	26,176	0	0	0
Current Deffered Taxes	0	0	97,673,950	215,900	0	0
Other Current Assets	0	0	1,705,652	0	0	0
Miscellaneous Other Current Assets	0	0	0	0	0	0
Totals	0	0	113,123,728	215,900	0	0

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Form 1120 US Corporation Income Tax Return
 Schedule L, Line 6--Other Current Assets (Beginning)

Statement 14

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Prepaid Insurance	96,138	0	0	0	0	0
Prepaid Rent	8,312	0	0	0	0	0
Prepaid Taxes	0	0	0	0	0	0
Prepaid Expenses	0	0	0	0	0	0
Current Deffered Taxes	8,543,301	0	441,952	0	0	1,169,643
Other Current Assets	0	0	0	0	0	0
Miscellaneous Other Current Assets	2,271,925	0	0	0	0	44,705
Totals	10,919,676	0	441,952	0	0	1,214,348

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Statement 14

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Schedule L, Line 6--Other Current Assets (Beginning)

Item Description	Construction
Prepaid Insurance	0
Prepaid Rent	0
Prepaid Taxes	0
Prepaid Expenses	0
Current Deferred Taxes	1,383,338
Other Current Assets	0
Miscellaneous Other Current Assets	1,229,720
Totals	2,613,058

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Form 1120 US Corporation Income Tax Return
Schedule L, Line 6--Other Current Assets (Ending)

Statement 14

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Prepaid Insurance	18,916,711	0	18,916,711	0	0
Prepaid Taxes	193,343	0	193,343	0	0
Prepaid Expenses	2,015,288	0	2,015,288	0	0
Current Deferred Taxes	18,963,573	0	18,963,573	0	0
Other Current Assets	2,825,804	0	2,825,804	0	0
Miscellaneous Other Current Assets	1,954,618	0	1,954,618	0	0
Totals	44,869,337	0	44,869,337	0	0

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Statement 14

Form 1120 US Corporation Income Tax Return
 Schedule L, Line 6--Other Current Assets (Ending)

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Prepaid Insurance	0	0	18,916,711	0	0	0
Prepaid Taxes	0	0	193,343	0	0	0
Prepaid Expenses	0	0	2,015,288	0	0	0
Current Deferred Taxes	0	0	10,055,572	109,165	0	0
Other Current Assets	0	0	2,825,804	0	0	0
Miscellaneous Other Current Assets	0	0	0	0	0	0
Totals	0	0	34,006,718	109,165	0	0

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Form 1120 US Corporation Income Tax Return
 Schedule L, Line 6--Other Current Assets (Ending)

Statement 14

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Prepaid Insurance	0	0	0	0	0	0
Prepaid Taxes	0	0	0	0	0	0
Prepaid Expenses	0	0	0	0	0	0
Current Deferred Taxes	5,676,515	0	379,679	0	0	1,160,758
Other Current Assets	0	0	0	0	0	0
Miscellaneous Other Current Assets	558,466	0	0	0	0	76,797
Totals	6,234,981	0	379,679	0	0	1,237,555

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Statement 14

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 Schedule L, Line 6--Other Current Assets (Ending)

Item Description	Construction
Prepaid Insurance	0
Prepaid Taxes	0
Prepaid Expenses	0
Current Deferred Taxes	1,581,884
Other Current Assets	0
Miscellaneous Other Current Assets	1,319,355
Totals	2,901,239

W.R. GRACE & CO.-CONN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
 Schedule L, Line 9--Other Investments (Beginning)

Statement 15

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Investments in Subs	1,750,507,582	0	1,750,507,582	0	0
Miscellaneous Investments	3,362,018	0	3,362,018	0	0
Miscellaneous Other Investments	4,435,932	0	4,435,932	0	0
Totals	1,758,305,532	0	1,758,305,532	0	0

W.R. GRACE & CO. - ANN. and DIVISIONS
 U.S. Corporation Income Tax Return
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Form 1120 US Corporation Income Tax Return
 Schedule L, Line 9--Other Investments (Beginning)

Statement 15

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Investments in Subs	0	467,934,495	1,256,243,042	0	0	94,022
Miscellaneous Investments	0	0	2,077,747	0	0	0
Miscellaneous Other Investments	0	0	0	0	0	0
Totals	0	467,934,495	1,258,320,789	0	0	94,022

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Schedule L, Line 9--Other Investments (Beginning)

Statement 15

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Investments in Subs	0	0	0	139,130,000	0	-20,479,996
Miscellaneous Investments	0	0	0	0	0	0
Miscellaneous Other Investments	1,500,000	0	0	0	919	0
Totals	1,500,000	0	0	139,130,000	919	-20,479,996

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Statement 15

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Schedule L, Line 9--Other Investments (Beginning)

Item Description	Construction
Investments in Subs	-92,413,981
Miscellaneous Investments	1,284,271
Miscellaneous Other Investments	2,935,013
Totals	-88,194,697

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Schedule L, Line 9--Other Investments (Ending)

Statement 15

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	13-5114230 Conn	Conn Elim
Investments in Subs	1,786,112,203	0	1,786,112,203	0	0
Miscellaneous Investments	2,077,747	0	2,077,747	0	0
Miscellaneous Other Investments	7,327,636	0	7,327,636	0	0
Totals	1,795,517,586	0	1,795,517,586	0	0

W.R. GRACE & CO. - JNN. and DIVISIONS
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Form 1120 US Corporation Income Tax Return
 Schedule L, Line 9--Other Investments (Ending)

Statement 15

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Investments in Subs	0	467,934,495	1,163,953,686	0	0	94,022
Miscellaneous Investments	0	0	2,077,747	0	0	0
Miscellaneous Other Investments	0	0	0	0	0	0
Totals	0	467,934,495	1,166,031,433	0	0	94,022

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 Schedule L, Line 9--Other Investments (Ending)

Statement 15

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont (Lexington)
Investments in Subs	15,000,000	0	0	139,130,000	0	0
Miscellaneous Investments	0	0	0	0	0	0
Miscellaneous Other Investments	3,111,017	0	0	0	0	0
Totals	18,111,017	0	0	139,130,000	0	0

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Schedule L, Line 9--Other Investments (Ending)

Statement 15

Item Description	Construction
Investments in Subs	0
Miscellaneous Investments	0
Miscellaneous Other Investments	4,216,619
Totals	4,216,619

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Schedule L, Line 14--Other Assets (Beginning)

Statement 16

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Receivables Due After One Year	290,142,808	0	290,142,808	0	0
Deferred Charges	16,842,064	0	16,842,064	0	0
Deferred Pension Costs	223,314,805	0	223,314,805	0	0
Miscellaneous Advances and Deposits	25,631	0	25,631	0	0
COLI	104,262,746	0	104,262,746	0	0
Grace Plaza Deferred Rent	12,441,214	0	12,441,214	0	0
Non Core Investments	2,699,933	0	2,699,933	0	0
Miscellaneous Long-Term Assets	-131,626	0	-131,626	0	0
Non Current Deferred Tax Benefit-US-Federal	635,282,196	0	635,282,196	0	0
Totals	1,284,879,771	0	1,284,879,771	0	0

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Schedule L, Line 14--Other Assets (Beginning)

Statement 16

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Receivables Due After One Year	0	0	290,121,584	0	0	0
Deferred Charges	0	0	-366,043	0	0	0
Deferred Pension Costs	0	0	223,314,805	0	0	0
Miscellaneous Advances and Deposits	0	0	0	0	0	0
COLI	0	0	104,262,746	0	0	0
Grace Plaza Deferred Rent	0	0	12,441,214	0	0	0
Non Core Investments	0	0	2,699,933	0	0	0
Miscellaneous Long-Term Assets	0	0	-131,626	0	0	0
Non Current Deferred Tax Benefit-US-Federal	0	0	597,500,040	0	0	0
Totals	0	0	1,229,842,653	0	0	0

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Schedule L, Line 14--Other Assets (Beginning)

Statement 16

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont (Lexington)
Receivables Due After One Year	0	0	0	0	21,224	0
Deferred Charges	829,307	0	0	0	0	54,537
Deferred Pension Costs	0	0	0	0	0	0
Miscellaneous Advances and Deposits	0	0	0	0	0	0
COLI	0	0	0	0	0	0
Grace Plaza Deferred Rent	0	0	0	0	0	0
Non Core Investments	0	0	0	0	0	0
Miscellaneous Long-Term Assets	0	0	0	0	0	0
Non Current Deferred Tax Benefit-US-Federal	19,374,336	0	0	5,200,000	0	4,212,915
Totals	20,203,643	0	0	5,200,000	21,224	4,267,452

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Statement 16

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 Schedule L, Line 14--Other Assets (Beginning)

Item Description	Construction
Receivables Due After One Year	0
Deferred Charges	16,324,263
Deferred Pension Costs	0
Miscellaneous Advances and Deposits	25,631
COLI	0
Grace Plaza Deferred Rent	0
Non Core Investments	0
Miscellaneous Long-Term Assets	0
Non Current Deferred Tax Benefit-US-Federal	8,994,905
Totals	25,344,799

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Schedule L, Line 14--Other Assets (Ending)

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Receivables Due After One Year	286,122,540	0	286,122,540	0	0
Deferred Charges	21,245,937	0	21,245,937	0	0
Deferred Pension Costs	240,742,662	0	240,742,662	0	0
Miscellaneous Advances and Deposits	29,836	0	29,836	0	0
COLI	75,633,169	0	75,633,169	0	0
Grace Plaza Deferred Rent	6,435,305	0	6,435,305	0	0
Non Core Investments	1,104,954	0	1,104,954	0	0
Miscellaneous Long-Term Assets	1,484,164	0	1,484,164	0	0
Non Current Deferred Tax Benefit-US-Federal	737,972,435	0	737,972,435	0	0
Totals	1,370,771,002	0	1,370,771,002	0	0

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Schedule L, Line 14--Other Assets (Ending)

Statement 16

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Receivables Due After One Year	0	0	285,322,294	0	0	0
Deferred Charges	0	0	2,467,655	0	0	0
Deferred Pension Costs	0	0	240,742,662	0	0	0
Miscellaneous Advances and Deposits	0	0	-1,128	0	0	0
COLI	0	0	75,633,169	0	0	0
Grace Plaza Deferred Rent	0	0	6,435,305	0	0	0
Non Core Investments	0	0	1,104,954	0	0	0
Miscellaneous Long-Term Assets	0	0	1,484,164	0	0	0
Non Current Deferred Tax Benefit-US-Federal	0	0	691,621,605	0	0	0
Totals	0	0	1,304,810,680	0	0	0

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Schedule L, Line 14--Other Assets (Ending)

Statement 16

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa_Adjust	Coal Develop	Cont(Lexington)
Receivables Due After One Year	708,204	0	0	0	0	3,426
Deferred Charges	1,286,454	0	0	0	0	250,857
Deferred Pension Costs	0	0	0	0	0	0
Miscellaneous Advances and Deposits	0	0	0	0	0	0
COLI	0	0	0	0	0	0
Grace Plaza Deferred Rent	0	0	0	0	0	0
Non Core Investments	0	0	0	0	0	0
Miscellaneous Long-Term Assets	0	0	0	0	0	0
Non Current Deferred Tax Benefit-US-Federal	27,444,348	0	0	5,200,000	0	3,910,165
Totals	29,439,006	0	0	5,200,000	0	4,164,448

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 Schedule L, Line 14--Other Assets (Ending)

Item Description	Construction
Receivables Due After One Year	88,616
Deferred Charges	17,240,971
Deferred Pension Costs	0
Miscellaneous Advances and Deposits	30,964
COLI	0
Grace Plaza Deferred Rent	0
Non Core Investments	0
Miscellaneous Long-Term Assets	0
Non Current Deferred Tax Benefit-US-Federal	9,796,317
Totals	27,156,868

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Schedule L, Line 18--Other Current Liabilities (Beginning)

Statement 17

Item Description	Consolidated Total	Corporate Eliminations	Subtotal before Eliminations	Conn 13-5114230	Conn Elim
Accrued Income Taxes	21,999,805	0	21,999,805	0	0
Accrued Taxes - Non Income	2,845,109	0	2,845,109	0	0
Accrued Payroll Deductions	4,736,942	0	4,736,942	0	0
Accrued Salaries	10,399,108	0	10,399,108	0	0
Accrued Interest	1,870,126	0	1,870,126	0	0
Accrued Insurance	22,625,326	0	22,625,326	0	0
Accrued Selling Expenses	23,458,355	0	23,458,355	0	0
Restructuring Reserve-Current	2,359,642	0	2,359,642	0	0
Divestiture Reserve-Current	36,478,119	0	36,478,119	0	0
Environmental Reserve-Current	20,467,642	0	20,467,642	0	0
Other Reserves-Current	184,233,654	0	184,233,654	0	0
Other Accrued Liabilities	22,263,748	0	22,263,748	0	0
Current Deferred Tax Liability	22,133,356	0	22,133,356	0	0
Deferred Income	35,658,224	0	35,658,224	0	0
Interco Payables	1,562,230,891	0	1,562,230,891	0	0
Totals	1,973,760,047	0	1,973,760,047	0	0

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Schedule L, Line 18--Other Current Liabilities (Beginning)

Statement 17

Item Description	Peru	NRG Conn	Headquarter	Interamerican	GSB HQ	Dewey&Almy
Accrued Income Taxes	392,206	0	-44,875,476	10,490	0	-456
Accrued Taxes - Non Income	0	0	315,233	0	0	0
Accrued Payroll Deductions	0	0	795,618	0	0	0
Accrued Salaries	0	0	4,666,001	0	0	0
Accrued Interest	0	0	1,870,126	0	0	0
Accrued Insurance	0	0	20,725,326	0	0	0
Accrued Selling Expenses	0	0	8,342,688	0	0	0
Restructuring Reserve-Current	0	0	1,173,952	329,856	0	0
Divestiture Reserve-Current	0	0	36,478,119	0	0	0
Environmental Reserve-Current	0	0	20,467,642	0	0	0
Other Reserves-Current	0	0	178,396,886	0	0	0
Other Accrued Liabilities	-270,632	0	15,709,553	287,000	0	0
Current Deferred Tax Liability	0	0	22,133,356	0	0	0
Deferred Income	0	0	34,801,874	0	0	0
Interco Payables	2,034,128	467,934,495	569,030,804	-2,330,420	24,597,535	103,444
Totals	2,155,702	467,934,495	870,031,702	-1,703,074	24,597,535	102,988

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Schedule L, Line 18--Other Current Liabilities (Beginning)

Statement 17

Item Description	Davison	Container/Photo	Asia Pacific	Cocoa Adjust	Coal Develop	Cont(Lexington)
Accrued Income Taxes	42,061,426	0	0	0	0	2,956,244
Accrued Taxes - Non Income	665,936	0	0	0	0	445,305
Accrued Payroll Deductions	3,139,382	0	0	0	0	189,877
Accrued Salaries	4,528,475	0	65,000	0	0	513,691
Accrued Interest	0	0	0	0	0	0
Accrued Insurance	0	0	0	0	0	0
Accrued Selling Expenses	0	0	0	0	0	1,022,899
Restructuring Reserve-Current	0	0	837,040	0	0	18,794
Divestiture Reserve-Current	0	0	0	0	0	0
Environmental Reserve-Current	0	0	0	0	0	0
Other Reserves-Current	5,545,956	0	0	0	0	-24,520
Other Accrued Liabilities	2,693,764	0	360,677	0	0	274,401
Current Deferred Tax Liability	0	0	0	0	0	0
Deferred Income	856,350	0	0	0	0	0
Interco Payables	213,450,912	-7,620,324	-1,671,482	296,679,975	21,824	0
Totals	272,942,201	-7,620,324	-408,765	296,679,975	21,824	5,396,691